

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS**

UNDERSTATED LEATHER LTD.,	)	
	)	
Plaintiff.	)	Case No. <u>1:25-cv-291</u>
	)	
v.	)	
	)	
F21 OPCO, LLC,	)	JURY TRIAL DEMANDED
	)	
Defendant.	)	

**COMPLAINT**

Plaintiff Understated Leather Ltd. (“Understated”), by and through its attorneys, Husch Blackwell LLP, for its Complaint against Defendant F21 OpCo, LLC (“F21”) states as follows:

**NATURE OF THE ACTION**

1. This is a federal question action involving claims under the Copyright Act, 17 U.S.C. § 101, *et seq.* Understated asserts a claim against F21 for copyright infringement arising from the manufacture, import, display, distribution, offer to sell, and/or sale of a coat by F21 that infringes upon a federal copyright owned by Understated. Notwithstanding notice and request from Understated to F21 to cease and desist from infringing upon Understated’s federal copyright, F21 continues to willfully manufacture, import, display, distribute, sell and/or offer for sale its infringing product.

2. This action is a textbook example of a corporate Goliath trampling over the creative labor of a small business—an independent David that values quality, originality, and integrity. A global fast-fashion juggernaut, armed with an endless supply of resources, has blatantly copied an original design of Understated, a brand dedicated to authentic craftsmanship and innovation. This is not just a case of inspiration gone too far; it is an intentional act of theft. F21 has exploited its scale and market dominance to profit from the creativity and hard work of a

small retailer that lacks the same colossal platform but upholds higher standards of design and ethics. The evidence of this unauthorized copying is unmistakable, and the harm it has caused to Understated's reputation, brand identity, and financial position is profound. This brazen act of copyright infringement not only violates the law but epitomizes the systemic abuse of power by large corporations that seek to stifle smaller competitors through intellectual property theft.

### **PARTIES**

3. Understated is a Texas corporation with its principal place of business in the State of Texas. Understated is a premier provider of quality fashion clothing pieces.

4. F21 is a Delaware limited liability company with its principal place of business in the State of California. F21 is a fast-fashion retailer. At all relevant times herein, F21 conducted business in the State of Texas. F21 may be served with process by delivering the summons along with a copy of the Complaint to F21's registered agent, C T Corporation System, 1999 Bryan Street, Suite 900, Dallas, Texas 75201, or wherever else it may be found.

### **JURISDICTION AND VENUE**

5. This Court has jurisdiction over the subject matter of this copyright infringement dispute under 28 U.S.C. § 1331 and 1338(a) and (b).

6. F21 is subject to personal jurisdiction in Texas because, among other things, it transacts business within the state (either directly or through the stream of commerce) and Understated incurred injuries in Texas as a result of F21's violations of Understated's rights under U.S. copyright laws.

7. Venue is proper in this District under 28 U.S.C. § 1400(a) because F21 has contacts with this judicial district sufficient to subject it to personal jurisdiction in this district.

The Infringing Work (as defined below) that forms the basis of this lawsuit was sold in-stores by F21 in Austin, Texas at the Domain and at Barton Creek Square.

### **STATEMENT OF FACTS**

8. Understated is a premier provider of high-quality fashion pieces. Understated takes great pride in curating its distinctive pieces, devoting considerable time, effort, and resources to uphold the integrity of its brand and stay true to its ongoing commitment to consumers. Known for combining the unique aesthetics of Australia and Texas, Understated has created a special niche in the market over the last ten years for high-end cowboy fashion.

9. Established in 2014, Understated began as a simple dream fueled by passion and determination. What started as a modest vision soon grew into a thriving small business, driven by a relentless commitment to quality and authenticity. The founder poured countless hours into perfecting her craft, meticulously selecting materials, refining designs, and embracing a customer-first philosophy.

10. Through years of perseverance, Understated steadily built its reputation for offering unique, carefully curated pieces that resonated with its growing community. What began as a local operation soon garnered attention from a broader audience. The company's success was not just about the products they offered but about the values they upheld and continue to uphold—integrity, attention to detail, and an unwavering commitment to the craft and its consumers.

11. Understated's dedication to staying true to its roots and consistently delivering exceptional quality played a pivotal role in its rise within the competitive luxury retail industry. By focusing on building strong relationships with customers and providing a one-of-a-kind shopping experience, Understated not only carved out a niche for itself but also earned the

loyalty of a diverse and passionate following. Today, Understated stands as a testament to what hard work, dedication, and staying true to one's vision can achieve, having solidified its name as a respected and successful brand in the high-end retail market. One of its many high-quality pieces is Understated's Moon Glow Coat, previously known as the Stillwater Coat, shown here:



12. Every detail of the Moon Glow Coat was the result of deliberate effort—months spent sourcing the finest materials from trusted suppliers and perfecting every aspect of the craftsmanship to ensure both quality and originality. This was not a product born of shortcuts or mass production but of late nights, meticulous revisions, and a commitment to creating something truly exceptional.

13. The Moon Glow Coat is produced in nine different colors: goldrust, dusty rose, sapphire, amethyst, chocolate, basil, opal, fire, and a black/pink combination.

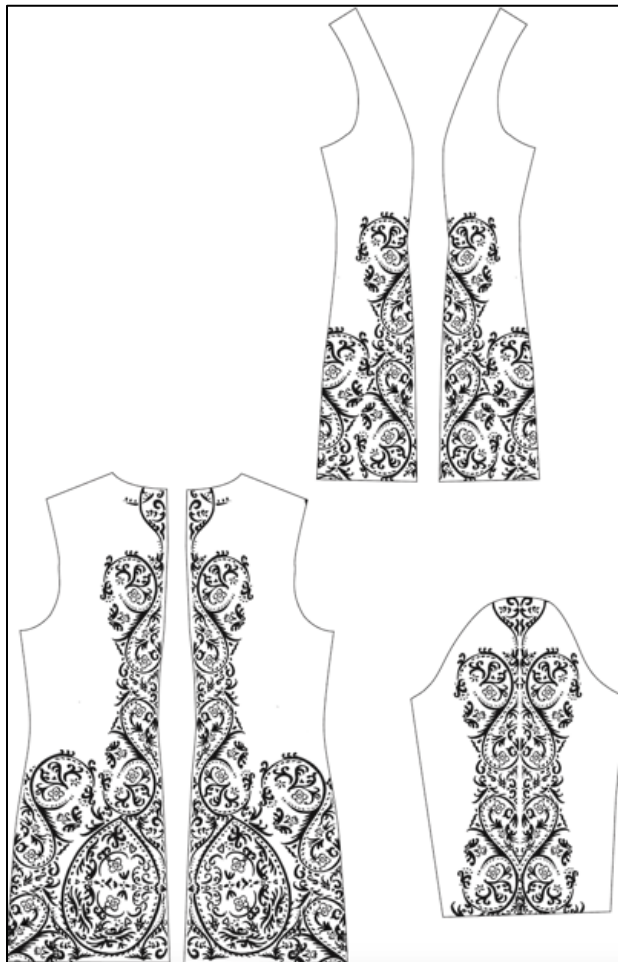
14. The Moon Glow Coat is sold exclusively through Free People for approximately \$498.00. Understated entered an exclusivity agreement with Free People for the sale of the Moon Glow Coat, leading Free People to place deep orders for the product. Understated does not sell

the Moon Glow Coat through any other retailer. This is further reflected by the Moon Glow Coat’s co-branded internal label.

**Understated’s Copyright Ownership of the Stillwater Design**

15. As of January 5, 2023, Understated is the owner of a valid copyright and federal copyright registration to the design on the Moon Glow Coat, known as the “Stillwater” copyright (“Stillwater” or “Stillwater Design”). The Stillwater copyright is dated effective as of January 5, 2023, and has a Registration Number of VA 2-338-685.

16. The drawing of the Stillwater Design is below:

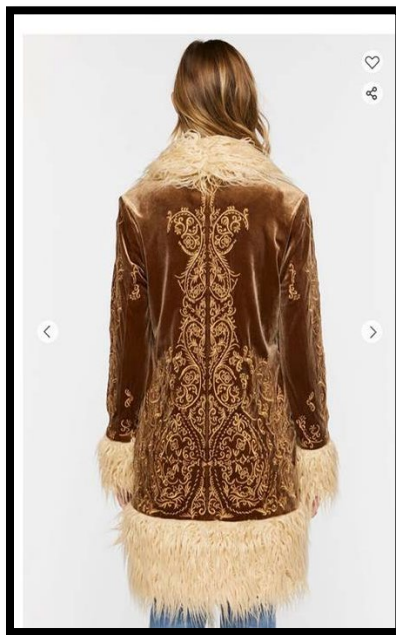


17. Understated’s team poured immense effort and passion into curating the Stillwater Design, ensuring every detail was thoughtfully considered and intentionally executed. From

initial sketches to the final product, the process was meticulous, involving countless hours of research, experimentation, and refinement. Every aspect of the Stillwater Design was deliberately chosen and created for a product that was both aesthetically stunning and functional. This was not a design churned out in haste; it was the result of dedication, creativity, and an unwavering commitment to excellence.

**F21 Infringes Understated's Work for the First Time**

18. In July 2023, it came to Understated's attention that F21 was selling a coat that was identical to the Moon Glow Coat—the Faux Fur-Trimmed Embroidered Coat. The Faux Fur-Trimmed Embroidered Coat is shown below:



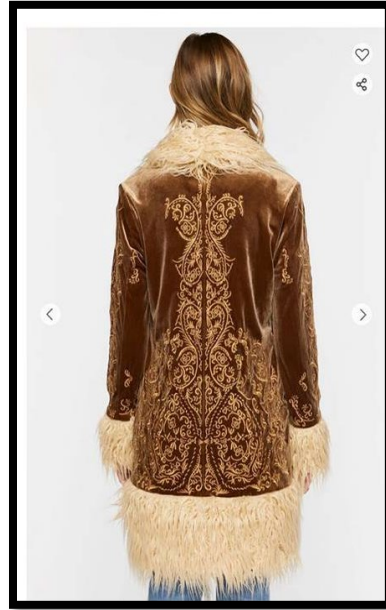
19. The design on the Faux Fur-Trimmed Embroidered Coat incorporated all the Moon Glow Coat's original hand drawn embroidered details, as is apparent from the below side-by-side pictures:



**Moon Glow Coat**



**Faux Fur-Trimmed Embroidered Coat**



20. In addition to the striking similarity of the designs on both coats, every element of F21's Faux-Fur Trimmed Embroidered Coat mirrored the Moon Glow Coat in a way that could not be dismissed as coincidence. The fabric used in both coats appear identical in texture, weight, and quality, despite the painstaking effort Understated invested in sourcing exclusive, high-grade materials to set its product apart. The fur trim, a key feature of the design, is not only identical in style but also matches in color, density, and overall appearance, replicating the luxurious aesthetic that Understated carefully curated. Furthermore, the body of the Faux-Fur Trimmed Embroidered Coat—including its silhouette, stitching patterns, and proportions—aligns so precisely with the original that it is virtually indistinguishable to the average consumer.

21. Deeply concerned by this, Understated engaged the undersigned to prepare a cease-and-desist letter notifying F21 of its infringement. The parties engaged in discussions over the next several months and eventually resolved the matter amongst themselves.

**F21 Continues to Infringe on Understated's Work**

22. Understated was under the impression this situation was put to rest and that F21 would no longer continue to infringe on Understated's valid copyright. Understated was severely mistaken.

23. F21, undeterred by prior consequences, has returned to the same playbook. In the fall of 2024, F21 began selling the same style of the Faux Fur-Trimmed Embroidered Coat (the "Infringing Work"). The Infringing Work and the Moon Glow Coat are shown side-by-side below:



24. Though F21 appeared to minimally tweak the design on the Infringing Work, both the Infringing Work, shown in the bottom row below, and Moon Glow Coat, shown in the top row below, still bear a striking resemblance:





25. As is apparent, the design on the Infringing Work and the Stillwater Design on the Moon Glow Coat are ornate and baroque-inspired with no further changes made. The Infringing Work's embroidered design, like that of Stillwater's, features floral and filigree-like elements, reminiscent of classical damask patterns often seen in textiles and decorative arts.

26. In addition, the Infringing Work continues to bear an undeniable resemblance to the Moon Glow Coat, with every detail reflecting a level of similarity that cannot be attributed to chance. Indeed, the fabric of the Infringing Work matches in texture, weight, and overall quality. The fur trim has, once more, been replicated with remarkable precision, matching in color, thickness, and overall luxurious appearance, mimicking the carefully crafted aesthetic of the

Moon Glow Coat Moreover, the overall structure of the coat, including its silhouette, stitching, and precise dimensions, is so closely aligned with the Moon Glow Coat that an ordinary consumer would struggle to distinguish between the two. The overwhelming likeness across these key elements demonstrates a calculated effort by the F21 to duplicate Understated's Moon Glow Coat, leaving no doubt that this constitutes a deliberate act of infringement.

27. The Infringing Work was made available for purchase and sold in stores all over the country, including an F21 store in the Austin, Texas area. The Infringing Work is currently advertised and sold on F21's international website under the **same name** and **same Product Number** as the original Faux Fur-Trimmed Embroidered Coat (Style Number: 00471083). In other words, F21 is selling the Infringing Work in the same exact style that it did previously, and not once has F21 mentioned that the Infringing Work has been altered or tailored to an original design.

28. Furthermore, F21 consumers are clearly persuaded that the Infringing Work shows a substantial similarity to the Moon Glow Coat, as demonstrated by their comments explicitly expressing this belief:<sup>1</sup>

**Penny Lane is a vibe**

I love this coat!!! I bought the cocoa one last fall and received endless compliments. This year I was so happy to see F21 had it in the merlot color. It's just gorgeous!!! These coats look identical to the \$400 Moon Glow coats sold at Free People. My friend bought one from Free People and we can't tell the difference between the coats, so the style, quality and price is amazing!!!

<sup>1</sup> F21 consumers may refer to the Moon Glow Coat as the "FP" or "Free People" jacket or coat. The Moon Glow Coat is sold by Free People: <https://www.freepeople.com/shop/moon-glow-coat/?color=030&type=REGULAR&quantity=1>.

**Gorgeous coat**

I love this coat so much. I bought it in two colors. It was a little pricey, but I waited for a sale. I love coach that look a little different and this one really does. I also really like faux fur which adds to the beauty of this coat, beautiful embroidered velvet the Free people brand sell one for \$500. That is almost identical so I feel this was really a great bargain for such a beautiful coat.

**STUNNING** 🥰

First, I can't imagine anyone living outside of the tropics expecting true warmth from this uninsulated garment. It is a lined, velour piece. It does shed a bit (like ANY modern faux fur, honestly). GENTLY brushing it can greatly help with that and faux fur needs some grooming to remain attractive anyway. I wear an FP medium and, by size chart, am an F21 extra large. A large in this is perfect (I can still layer a sweater/other warm things underneath if I want or wear with warmer weather items). A medium would've worked as well, I imagine, but probably not with the thicker layering options, even though the fabric has a bit of stretch. I prefer my clothes to not be notably fitted and this is shaped while being loose but not baggy. This is soft and comfortable and a bit longer on my 5'7" frame than the model pics. I received the Merlot color and photos don't do it justice. It is multi tonal and catches the light with beautiful depth. I don't know what kind of quality negative reviewers are seeking from polyester velour, but I believe this is an EPIC option for anyone coveting the Moon Glow/Stillwater jacket from FP. I am in awe and so grateful...Thank you, F21!! [Read Less](#)

**More please**

I'm was so excited to see this coat was back in a new color. I wish I noticed sooner! I got the cocoa/vanilla two years ago and fell in love. I also own two colors of the FP version and they are exactly the same! Please keep the vanilla fur trim and do more colors! (Black or like a dark olive green) I'm begging! I get so many compliments when I wear these. Absolutely perfect for places with warmer winters.

29. When the term “Moon Glow Coat” is searched on Google, the Infringing Work is the top hit. It is clear that F21 is utilizing search engine optimization (“SEO”) tactics to draw consumers away from purchasing the Moon Glow Coat and instead, toward its unoriginal, copied product. F21’s actions not only mislead potential customers but also undermine the integrity of Understated’s brand by capitalizing on stolen designs to attract sales.

30. Indeed, F21 is one of Free People’s largest direct competitors in the market. For years, Understated supplied Free People with a high-quality, exclusive product that is the Moon Glow Coat. This was always a successful venture—until now. As a result of F21’s Infringing Work, Free People, Understated’s largest retailer of the Moon Glow Coat, has since halted all

wholesale orders. This has cost Understated a substantial exclusivity arrangement that Understated has long relied on to sell its Moon Glow Coat.

31. F21 has manufactured, imported, displayed, distributed and/or sold, and, on information and belief, is continuing to manufacture, import, sell and offer to sell the Infringing Work, which is substantially and strikingly similar to the Stillwater Design on the Moon Glow Coat. Even more so, F21 continues to do so under the same barcode and product number as the original Faux Fur-Trimmed Embroidered Coat.

32. F21 is not licensed by Understated and at no time relevant to this dispute were they ever authorized by Understated or any authorized agent of Understated to display, distribute, sell, offer for sale, manufacture, import and/or reproduce the Stillwater Design. Furthermore, at no time did the F21 design team reach out to collaborate with Understated, even after the parties' initial reconciliation.

33. By copying a meticulously crafted design and leveraging its massive resources to undercut a smaller competitor, F21 has proven itself to be a corporate Goliath that thrives on crushing Davids who dare to stand in its way. Indeed, this is not the first time that F21 has been accused of copyright infringement.<sup>2</sup> This is not just unfair—it is an assault on creativity, and a direct violation of the principles of intellectual property law that exist to protect exactly this kind of exploitation. Understated is not just fighting for justice in this case; it is standing up for every small business that refuses to be bullied by industry giants such as F21.

## **CAUSES OF ACTION**

### **Count 1: Copyright Infringement**

34. Understated repeats and realleges the paragraphs above as if fully set forth herein.

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<sup>2</sup> *Forever 21 Accused of Copying . . . Again*, THE COLOMBIA J. OF L. & ARTS, <https://journals.library.columbia.edu/index.php/lawandarts/announcement/view/69> (Aug. 2, 2019).

35. Understated owns a valid copyright to the Stillwater Design on the Moon Glow Coat.

36. Understated has complied in all respects with Title 17 of the United States Code, secured the exclusive rights and privileges in and to the copyright in the Stillwater Design on the Moon Glow Coat, and in compliance with the law has received from the Register of Copyrights the appropriate Certificate of Registration which constitutes *prima facie* evidence of the validity of its copyright and the facts stated in the certificates.

37. F21 has never sought, and Understated has never granted F21, any license to make or market unauthorized and unlicensed knockoffs that include the Stillwater Design.

38. F21 has been exposed to and has had access to the Stillwater Design as shown by the parties' dispute involving the same product.

39. By creating, manufacturing, distributing, offering for sale, and selling to the public and/or consumers the Infringing Work, which is substantially and strikingly similar to the Stillwater Design on the Moon Glow Coat, F21 has infringed upon Understated's Stillwater copyright.

40. F21's unauthorized acts and its refusal to take immediate steps to cease and desist its infringing conduct relating to the Infringing Work presently constitutes, and will continue to constitute, willful and deliberate infringement of Understated's exclusive rights under the Stillwater copyright.

41. Through its act of copyright infringement relating to the Infringing Work, F21 has unlawfully derived, and will continue to derive, income and profits from its infringing act and Understated has sustained, and will continue to sustain, substantial injury, loss, and damage.



42. As a direct and proximate result of F21's act of copyright infringement, Understated is entitled to actual damages and F21's profits under 17 U.S.C. § 504(b) or, in the alternative, the maximum statutory damages in the amount of \$150,000.00 with respect to each infringed copyright under 17 U.S.C. § 504(c).

43. Understated is also entitled to its attorneys' fees under 17 U.S.C. § 505.

44. F21's conduct is causing and, unless enjoined by this Court, will continue to cause irreparable injury to Understated that cannot be fully compensated or measured in monetary damages. Understated has no adequate remedy at law and, under 17 U.S.C. § 502, is entitled to preliminary and permanent injunctive relief prohibiting F21 from continuing to infringe Understated's copyright in the Stillwater Design.

#### **REQUEST FOR RELIEF**

Plaintiff Understated Leather, Ltd. demands judgment as follows:

- (a) Declare that F21 has infringed Understated's copyright in the Stillwater Design.
- (b) Preliminarily and permanently restrain and enjoin F21, its officers, agents, servants, employees, and all persons acting in concert with or on its behalf from advertising, forwarding, displaying (either on a website or otherwise), selling, offering for sale, or in any way commercially exploiting unlawful and unauthorized copies of the Moon Glow Coat.
- (c) For an award of F21's profits and actual monetary damages sustained by Understated in such amounts as may be found, and as enhanced by reason of F21's intentional copyright infringement; or in lieu thereof, if elected by Understated, for the maximum statutory damages as permitted under the Copyright Act; and for such other amounts as may be proper under 17 U.S.C. § 504; and for an order preliminarily and permanently enjoining F21 from

infringing Understated's Stillwater Design on the Moon Glow Coat; and for an award of costs and attorneys' fees pursuant to 17 U.S.C. § 505.

(d) Order the impounding for destruction all copies or reproductions of F21's advertisements or other materials improperly displaying the Infringing Work.

(e) Directing that F21 pay to Understated the costs of this action, including Understated's reasonable attorneys' fees incurred herein.

(f) For an award of pre-judgment and post-judgment interest on any monetary awards.

(g) For any other and further relief as the Court may deem just and proper.

**JURY DEMAND**

Plaintiff Understated Leather Ltd. hereby demands a trial by jury on all claims triable.

DATED: February 26, 2025

Respectfully submitted,

/s/ Mark A. Fritsche

Mark A. Fritsche  
Texas State Bar No. 24100095

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